

### **Export News**

U.S. Export Assistance Center Houston, Texas

January 2004

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U.S. Export Assistance Center U.S. Department of Commerce 15600 John F. Kennedy Blvd, #530 Houston, Texas 77032 Ph: 281-449-9402, Fx: 281-449-9437 Houston.Office.Box@mail.doc.gov Editors: Pamela Plagens Asst. Editor: Nyamusi Igambi

#### \* IMPORTANT TRAINING ON EXPORT REGULATIONS \*

# BUREAU OF INDUSTRY & SECURITY 2-DAY SEMINAR



Warwick Hotel, Houston February 10-11

The U.S. Department of Commerce, Bureau of Industry and Security, and the Houston District Export Council are cosponsoring this two-day seminar. Day one, entitled **Essentials** of Export Controls, is an intensive, fast-paced program that covers Export Administration Regulations (EAR). Day Two, **Technology Controls**, is a **new** full-day program that will offer a comprehensive look at how to comply with the U.S. export and reexport controls relating to technology, software and encryption. BIS technical and policy specialists will also discuss important export control issues that may arise with the employment of foreign nationals and for foreign items incorporating, or produced from controlled U.S.-origin software and technology. BIS encryption specialists will cover a variety of topics, including how the new provision for ">64-bit mass market" encryption may apply to products that you use, sell or buy.

Cost \$325. The fee includes continental breakfast and lunch each day as well as collateral materials. See www.bis.doc. gov/seminarsandtraining for details. To register, contact Betty Frazier at bfrazier@bakerlaw.com or 713-646-1320.

# NEW SHIPPERS' EXPORT DECLARATION (SED) FORM REQUIRED STARTING JANUARY 18

The U.S. Census Bureau (Census Bureau) placed a Federal Register notice on July 17, 2003, to announce amendments to the Foreign Trade Statistics Regulations (FTSR). In addition to requiring mandatory filing for items on the CCL and the USML, the final rule adds to the paper Shipper's Export Declaration (SED) the requirement to enter the freight forwarder's Employer Identification Number (EIN) when required. This requirement applies to filers who are not required to file through AES and who choose to file a paper SED rather than filing voluntarily through AES. The implementation date of this rule was October 18, 2003.

As a result of changes to the FTSR, on October 18, 2003, U.S. Customs and Border Protection (CBP) now requires the export community to use a new SED form. The new SED (Form 7525-V,

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dated 7-18-2003) is now available. See the Census Bureau site at <a href="http://www.census.gov/sed">http://www.census.gov/sed</a>. To facilitate the transition to a new Census Bureau form, all CBP ports will accept both old and new versions of the SED through January 17. Starting on January 18, 2004, only the new Form 7525-V Shippers Export Declaration will be accepted by CBP. Any previous versions of the SED tendered on or after January 18, 2004, will be rejected and the exporter will be advised of their failure to submit an SED.

# GREATER HOUSTON PARTNERSHIP SPONSORS 2ND ANNUAL EXPORT EXCELLENCE AWARDS

Houston-area exporters of manufactured products are eligible to receive two local awards. The **Robert A. Mosbacher**, **Sr.**, **Award** for large manufacturers with gross export sales exceeding \$20 million or the **Jesse H. Jones Award** for small/medium manufacturers with gross export sales between \$5 million to \$19.9 million. The awardees will be honored at the Greater Houston Partnership's World Trade Gala on May 8. To apply, contact Cari Broderson at cbroderson@houston.org or 713-844-3635.

# \* New Chinese Government Regulation\* PROFIT Margin Must Be Included in Construction Project Bids

Commercial Service-Shanghai has advised us that the Chinese Ministry of Construction (MOC) published a Code of Valuation with Bill Quantity of Construction Works on July 1, 2003, which stipulated that bidding documents must include cost breakdowns and profit margin information.

This regulation covers any public bidding, particularly for government projects, processed through state tendering agencies. The exception is for foreign investment projects where the bidding is processed by the foreign owner in an invitation only bidding process and not through the state tendering agencies. This is considered non-public bidding, and it's not mandatory to comply with this new code. For more information, please contact our office.

#### SINGAPORE FTA NOW IN EFFECT

With the U.S.-Singapore Free Trade Agreement now in effect, Singapore looks better than ever. It is the logistics, communications, IT, financial services and management hub for the ten countries of the region as well as a gateway to a market of more than 500 million people. See <a href="https://www.export.gov/cs">www.export.gov/cs</a> for a feature on this vibrant market.

#### STAFF MEMBER OF THE MONTH

Alan Richel, Senior International Trade Specialist

Alan Richel joined the Houston Export Assistance Center as the



senior international trade specialist just over two years ago. He came to Houston from Kansas City where he had been a trade specialist for five years.

Alan has an extensive international background including a B.A. and M.A. in International Affairs from The George Washington University in Washington, DC and an M.B.A. in marketing and management from Loyola University of Chicago. Additionally, he speaks Spanish and French and studied at the American University in Paris. During Alan's seven years with the Commercial Service, he has had temporary assignments in our offices in Nairobi, Kenya, and Beijing, China. He has also represented the Department of Commerce on a trade mission to Ukraine.

Prior to his work with the Commercial Service, Alan served for many years in the U.S. Department of Transportation, most recently as director of a mass transit program in Kansas City, Missouri. Among other positions, Alan has also done private sector transportation consulting, served as chief operating officer of a U.S.-Yugoslav school bus manufacturing joint-venture and has worked with Xerox Corp.

Currently, Alan's geographic territory is west of Interstate 45 and east of State Highway 249. In addition, outside of that territory he handles companies in the following sectors:

- Industrial Chemicals
- Pumps, Valves, and Compressors
- Industrial Process Controls
- Building Products
- · Construction Equipment, and
- Electric Power

Alan's schedule with telephone numbers is:

Mon. South Montgomery County Woodlands Chamber of Commerce, ph: 281-367-5777

Tues. USEAC, 281-449-9417 Weds USEAC, 281-449-9417

Thurs. Houston Northwest Chamber of Commerce, ph: 281-440-4160

Fri. USEAC, 281-449-9417

Alternatively, he is available on his cell phone at 713-857-0537 or via e-mail at alan.richel@mail.doc.

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#### RUSSIA'S NEW CUSTOMS CODE

Russia's new Customs Code went into force on January 1. According to customs officials, the new code should render customs procedures more streamlined, transparent and predictable for businesses, and bring Russia in compliance with international standards. The new code addresses a wide range of customs-related activities, including the legal regulation of customs regimes and procedures for payment collection. It also establishes additional guarantees for protecting the interests of both importers and exporters.

Commercial Service-Moscow has detailed this information in a report dated Dec. 29, 2003. Contact our office to obtain a copy. It is also available under Industry Reports at http://www.export.gov/marketresearch.html.

#### SCAMS - IRAQ

Letters purported to be from former officials in the Hussein regime of Iraq - similar to the advanced fee fraud schemes and Nigerian 419 Scams - are beginning to circulate. If you receive an e-mail or letter requesting an action such as sending your bank account information to strangers, please do not reply and delete the message.

#### THE PROJECT FINANCE YEARBOOK 2003/04

Innovative aspects of project finance across the globe are covered as case studies and regional reviews written by leading players from the project finance industry. The accompanying directory contains over 1400 specialists. For details on this publication from *Euromoney Institutional Investor*, see http://www.researchandmarkets.com/reports/5417.

#### HOW TO REDUCE IMPORT TAXES IN BRAZIL

When there is no national production of a product, there is no reason to levy certain duties to protect a local industry. In this case, the importer in Brazil can request a reduction of the import duty. Commercial Service-Brazil has written a report on this topic, published on December 2, 2003. It is also available under Industry Reports at

http://www.export.gov/marketresearch.html.

#### **ACCESS MEDITERRANEAN PROGRAM 2004**

Explore market opportunities in Egypt, Israel, Jordan, Lebanon, Turkey and West Bank/Gaza through a new, one-stop marketing service. Commercial specialists in each of these markets will coordinate efforts to proactively market your product or service in their respective countries. The program entails a

password-accessed website that lists your products/ services, and a proactive, country-specific matchmaking service. You see results from six commercial specialists in six countries. The program targets industry sectors, based on potential in these markets and will focus one month on each sector. In most cases, the promotions will coincide with local, industryspecific trade events. See a listing below of the sectors and when they will be promoted.

- March Environmental Technologies Services and Equipment
- April Architecture, Construction & Engineering Services as well as Building & Construction Equipment
- May Energy (oil & gas, electrical power equipment)
- June Medical Equipment & Healthcare Services
- June Information and Communications Technologies

Cost varies. For details, contact our office.

#### TRADE LEADS

#### GLOBAL TRADE & TECHNOLOGY NETWORK (GTN)

All GTN leads are verified. For more information, please contact Andres Borasino, GTN representative in Houston, at aborasino@usgtn.net or (281) 449 9428. Visit GTN's website at www. usgtn.net.

- Mexican firm seeks suppliers for Concrete Mixers and Concrete Batch Plants (RMX20031216959)
- Czech company is looking for U.S. companies with technologies for the utilization of heat waste (RCZ20031216957)
- A Polish company is seeking suppliers of sludge dewatering presses (RPL20031216947)

#### **IT Services Opportunity**

A Bangladeshi software and IT infrastructure company will be visiting Texas from February 24-March 2. They are seeking working relationships and strategic partnerships with IT services providers, developers, procurement consultants and contractors.

#### **KUWAIT-REFINERIES AND PETROCHEMICALS**

A Kuwaiti company is interested in representing U.S. companies specializing in refinery and petrochemical products. Contact our office for details.

#### CHINA-OIL FIELD EQUIPMENT

Company seeks to sell and distribute mechanical components in Shengli Oilfield. For details, contact our office.

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#### **EVENTS - SEMINARS & WORKSHOPS**

#### GREATER HOUSTON PARTNERSHIP

For further details on the following events, please contact Cari Broderson at 713-844-3636 or cbroderson@houston.org

- Import/Export Overview, February 19, 8:30am-4:30 pm.
- Colombia's Energy Sector: Business & Investment Opportunities, His Excellency Luis Alberto Moreno Mejia, Ambassador of Colombia in Washington, Mr. Isaac Yanovich Farbaianz, president of ECOPETROL, His Excellency Luis Ernesto Mejia Castro, Colombia Minister of Energy, February 25, 8:30 am-3:30 pm.

#### University of Houston INTERNATIONAL TRADE CENTER

For more information on the following events, call 713-752-8488 or see www.sbdc.uh.edu.

- Letters of Credit, Jan. 19, 9:00 am-noon, Cost:
- Financing Export Sales, Feb. 10, 8:30 -10:30 am, Cost \$25, or \$35 within 5 days of program
- Doing Business with Colombia, March 25, 8:00-10:00 am, Cost: \$15, or \$20 within 5 days of program

#### RUSSIAN & CASPIAN INVESTMENT CLIMATE: FUTURE **PROJECTS & CURRENT REALITIES**

St. Regis Hotel, Houston January 20

Part of the Global Energy Series sponsored by the Eurasia Group this roundtable will cover:

- Russian oil transportation
- Doing business with Kazakhstan
- Azerbaijan's new leadership
- Succession in Georgia

For details see: http://www.eurasiagroup.net.

#### THE OLD ECONOMY VS. THE NEW ECONOMY: WILL YOUR BUSINESS SURVIVE?

Inter-Continental Hotel, Houston January 20

Sponsored by the Italy America Chamber of Commerce and the International Chambers of Commerce this lunch program features David Joy, American Express, Barrett K. Sides, AIM Capital Management, and Peter D. Gaw, ABN AMRO Integrated Energy. Cost \$35 members/\$40 non-members. For details contact info@iacctexas.com or ph: 713-626-9303.

# Organization of Women In International Trade THE PARTNERSHIP'S WORLD TRADE DIVISION MORE THAN MEFTS The Great

vision does more than events; they are working behind the scenes to make Houston a premier international business center. Ms. Cari Broderson of GHP's World Trade Division will outline their upcoming activities and initiatives such as Houston's bid for the headquarters of the Free Trade Area of the Americas, Homeland Security and immigration issues as well as the competition for the Exporter of the Year Award. There will be an introduction by the University of Houston's International Trade Center. Cost: \$5 Organization of Women in International Trade-Houston members/\$10 nonmembers. Boxed lunches are also available for an additional fee. To register, e-mail TGarcia@Roanoketrade.com.

#### STANDBY LETTERS OF CREDIT

Houston January 22

This morning program is sponsored by the National Association of Credit Managers (NACM). It will cover domestic and international standby L/Cs, including foreign bonds and guarantees. Regulations, formats, special wordings/circumstances, and bankruptcy issues related to L/Cs will also be addressed.

Cost \$59 for NACM members/\$69 for non-members. For details, contact Kathyrn Hill-Reed at kreed@nacmsouthtexas.org or ph 281-228-6100.

#### IDB'S BUSINESS SEMINAR ON ENVIRONMENT, AGRICULTURE AND WATER/SANITATION

Washington, DC February 5

The event will concentrate on InterAmerican Development Bank (IDB) support for public and private sector projects in Latin America and the Caribbean. IDB specialists will discuss a variety of operations being financed by the Bank focusing on current projects or projects in the pipeline.

Cost: \$95.00. For details, contact Tyrena Holley at tyrena.holley@mail.doc.gov or 281-449-9420.

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#### **ENVIRONMENTAL SEMINAR**

Houston

**NEW DATE** - March 3

Sponsors include the USEAC, Greater Houston Partnership, and Global Trade and Technology Network. The 1/2 day seminar will cover the following topics:

- U. S. Asia Environmental Partnership grants for exports to Southeast Asia
- The Texas Commission on Environmental Quality regulations for Texas
- Headworks Inc.'s best practices for environmental company exporting
- Ecolinks' trade leads from Eastern Europe
- U. S. Trade Development Agency (TDA) feasibility studies and grants funding, and
- The Northwest Texas International Trade Center discussing trade opportunities with border municipalities.

For details, contact one of the following:

Cari Broderson, GHP, cbroderson@houston.org, Tyrena Holley, USEAC, Tyrena.Holley@mail.doc.gov or Andres Borsino, GTN, aborasino@usgtn.net.

#### **EVENTS - TRADE SHOWS & MISSIONS**

#### Catalog Exhibition

#### CAFTA MARKETPLACE

March 22-April 22

Take advantage of rising demand for U.S. products in Central America and the recently negotiated U.S.-Central America Free Trade Agreement (CAFTA). The U.S. Department of Commerce will showcase American product catalogs in a wide range of industries at official U.S. Catalog Exhibitions in Guatamala, Honduras, El Salvador, Nicaragua, and Costa Rica plus an exhibition in Panama. Cost: \$450. For details, contact our office.

# 8TH AFRICA OIL/GAS TRADE & FINANCE CONFERENCE

Marrakech, Morocco April 26-30

This annual week-long event is sponsored by the United Nations Conference on Trade and Development (UNCTAD), the Moroccan Ministry of Mines and Energy, the Office National de Recherches Pétrolières (ONAREP), and ITE Group Plc. For details, contact our office.

#### MEDICAL DEVICE TRADE MISSION

Beijing - Chengdu April 19-23

U.S. Dept. of Commerce will lead a delegation of U.S. medical and dental equipment and supply firms interested in the Chinese market. Optional stops in Hong Kong, Guangzhou and Shanghai are available. Cost \$2,600 (not including optional stops). Deadline for registration is Feb. 1. For details contact Nyamusi.lgambi@mail.doc.gov or 281-449-9423.

#### **WEBSITES**

#### INTERNATIONAL TRADE DICTIONARY

The U.S. Customs Service/International Trade Data System has hundreds of definitions of trade terms, written in layman's language, in its *Dictionary of International Trade Terms*. Check it out at www.itds.treas.gov/glossaryfrm.html.

## SHORTER WEB ADDRESS FOR CENSUS BUREAU'S FOREIGN TRADE DIVISION

http://www.census.gov/trade

#### IRAQ RECONSTRUCTION LINKS ON USEAC'S WEBSITE

http://www.buyusa.gov/southcentral/iragreconstruction.html



#### STAFF DIRECTORY

James Cook, Director	281-449-9406
Tyrena Holley, Commercial Officer	281-449-9420
Alan Richel, Senior Trade Specialist	281-449-9417
Brendan Kelly, Trade Specialist	281-449-9404
Pamela Plagens, Trade Specialist	281-449-9412
Nyamusi Igambi, Trade Specialist	281-449-9423
Isabel Lopez, Export Assist. Spec.	281-449-9426
Maggie Kelly, Trade Ref. Assistant	281-449-9402
Bill Ashcraft, Nat'l Field Support	281-449-9449

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